

Town Centres and Councils

Yesterday in a debate on the local government finance settlement for next year I raised some general issues about Councils and our Town Centres as well as local matters over the adequacy of grants and other central government assistance.

When we come out of this extended lockdown we will be able to judge the permanent damage done more easily. Some shops and service providers will decide they cannot continue in business, given the long period of closure and partial working and the impact that has had on cash flows and borrowings. Some successful businesses will decide that they can carry on in future with more of their offer coming from digital commerce and less needing physical premises in each town and Village Street. There will be pressure to lower shop rents, and to move more rents onto a turnover related basis. Government will remain under pressure to keep business rates low where they have been reduced, and to cut them where they have not.

Councils are part of this debate because many have come to be important players in their local shopping areas. All principal Councils are important regulators and planners of shopping areas, deciding on what landowners can and cannot do with their properties, defining the streetscape and controlling the transport policies. Many are also now landlords of shop properties themselves, needing to consider the impact of recent changes on their rental and tenancy prospects. Many employ Town managers, help control shopping centres, run public sector facilities and determine the car parking and access strategies. They therefore need to both decide how much of these various involvements they want, and what they are trying to do with their interests in these matters.

I urged them to wish for one thing – a strong commercially led recovery, helping shops and businesses rebuild their trade and earn the means to pay the rents again as soon as possible. The High Street has a high job content in what it does, adds to the variety of life by creating a social focus, and a backdrop for cultural, sporting and civic events. It represents much of what we have missed during lockdown. Forlorn High Streets stand largely empty, each closed shop a reminder of the economic damage to tenant and landlord alike of forced closures.

A good Council will make access and parking easier to rebuild trade. It will be flexible over planning permissions for changes of use and adaptation of buildings. Where it is an owner it will be realistic over future rents and uses itself. It seems likely there will need to be closures of a good many shops, as we have too many for likely future levels of physical shopping. That means we need imagination by developers and good will from Councils to convert or rebuild retail estate as homes, places for entertainment or other workplaces as soon as possible.